

# Exhibit 4

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Lead Case No. 12-12020-mg Adv. Proc. No. 12-01671-mg

- - - - -x

In the Matters of:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

- - - - -x

RESIDENTIAL CAPITAL, LLC, et al.,

Plaintiffs,

- against -

ALLSTATE INSURANCE COMPANY, et al.,

Defendants.

- - - - -x

United States Bankruptcy Court

One Bowling Green

New York, New York

July 10, 2012

10:07 AM

B E F O R E:

HON. MARTIN GLENN

U.S. BANKRUPTCY JUDGE

eScribers, LLC | (973) 406-2250  
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**RESIDENTIAL CAPITAL, LLC, ET AL.**

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1 the substantial discovery burden and expense the debtors would  
2 face if the Western & Southern action goes forward against Ally  
3 Securities. The debtors put forward evidence in Mr. Lipps'  
4 declaration setting forth in specific detail the cost and  
5 burden of discovery in these lawsuits. See the Lipps  
6 declaration, paragraphs 70 through 78.

7 Western & Southern has never challenged the statements  
8 in Mr. Lipps' declaration, either in deposition or in their  
9 opposition. Western & Southern offers nothing more than pure  
10 conjecture that discovery in their case will not be burdensome.

11 The debtors have provided specific examples of cases  
12 that involved a small number of securitizations, but still  
13 produced millions of pages in discovery and upwards of eighty  
14 days' worth of depositions from the debtors' current and former  
15 employees. See the Lipps declaration, paragraphs 28 and 29.

16 Any prospective discovery will also burden current and  
17 former employees of the debtors. "It matters little that some  
18 of the individual defendants are no longer affiliated with the  
19 debtor." Because the ultimate discovery burden falls on  
20 current employees who are critical to restructuring. See  
21 Hawaii Structural, 2006 WL 3755175 \*5,6.

22 The debtors have adequately shown the negative impact  
23 of continued litigation on the debtors' key employees. See the  
24 supplemental Lipps declaration, at paragraphs 31 through 33.

25 We'll briefly discuss proceeds of insurance policies

C E R T I F I C A T I O N

We, Penina Wolicki and Sharona Shapiro, certify that the foregoing transcript is a true and accurate record of the proceedings.



Digitally signed by eScribers LLC  
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Date: 2012-07-11 14:35-04:00

*Penina Wolicki*  
*(Signature)*

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Date: July 11, 2012

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